



Town of Lunenburg Flexible Spending Account - Open Enrollment

Plan year 11/1/2014 – 10/31/2015
(Expenses must be incurred between these dates)

"It's not what you earn, It's what you keep that counts"

The Flexible Spending Account is a tremendous opportunity for you to enhance your benefits package. Your employer knows that this is a highly beneficial program and wants you to have the opportunity to participate in a Flexible Spending Account.

Most employees pay for expenses such as dependent care expenses, out-of-pocket medical/dental expenses, prescription drug co-payments etc, on an after tax-basis. The Flexible Spending Account allows you to set aside a portion of your paycheck tax free to pay for those expenses. The result is a reduction in Federal, State and FICA taxes, which will give you an increase in your take home pay. ***Don't miss out on this opportunity to save approximately 30% in payroll taxes on dollars put through an FSA plan.***

MEDICAL FLEXIBLE SPENDING ACCOUNT (FSA)

The Medical FSA allows you to set aside up to **\$2,500** pre-tax from your paycheck to pay for expenses not covered by insurance. Some examples of these out-of-pocket expenses are:

Dental: Orthodontia/Crowns/Fillings/Dentures/Cleanings/X-rays

Co-pays: Doctor Visits/Prescriptions/Deductibles

Medical: Chiropractor/Psychologist Fees/Orthopedic Expenses/Hearing Aides

Vision Care: Contact Lenses/Contact Solution/Eye Glasses/Laser Eye Surgery/Eye Exam

Over-the-Counter Medications: No longer an eligible expense without a prescription

A **MasterCard debit card** (known as the "benny" card) will be provided for all FSA-medical account holders. The card can be used at medical, vision, dental and pharmacies locations and can provide auto substantiation for most items.

This plan contains the **\$500 Rollover option**. Remaining balances up to \$500 will rollover to the subsequent plan year. The rollover will occur "after" the current plan run out period of 90 days.

DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT (FSA)

The Dependent Care FSA is a great tax savings for people who have children in daycare or parents who require elder care. The IRS allows you to set aside up to **\$5,000** per calendar year pre-tax from your paycheck to pay for these expenses. In most instances participation in the Dependent Care FSA results in a greater tax savings than the Dependent Care Tax Credit. Examples of eligible Dependent Care Expenses are:

Daycare Before/After School Care Summer Day Camp Pre-School Elder Care

Cafeteria Plan Advisors, Inc. of Braintree, MA, is a leader in the administration and implementation of Cafeteria Plans and currently services over 120 municipalities along with many corporations, and public and private schools. To learn more about this exciting benefit please attend the informational meeting(s). For additional information please call Cafeteria Plan Advisors, Inc. at 781-848-9848 or visit our website: www.cpa125.com

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AUTHORIZATION FOR PRE-TAX PAYROLL REDUCTION

Form must be returned to Cafeteria Plan Advisors by: **10/24/14**

Personal Information

Name: _____ **Employer:** Town of Lunenburg

Street: _____ **Plan Year:** 11/01/2014- 10/31/2015

City, ST, Zip: _____ **SSN:** _____

E-Mail: _____ **Phone:** _____

Payroll Information

I am paid: Bi-Weekly: ☐ Other: _____

I am a: Municipal Employee ☐ School Employee ☐

Benefits Selected

<input type="checkbox"/> FSA Dependent/ Day Care Account I elect to contribute \$ _____ for the Plan Year. (\$5,000 maximum) <i>Confirm eligibility criteria prior to enrolling.</i>	<input type="checkbox"/> FSA Medical/Dental Care Account I elect to contribute \$ _____ for the Plan Year. (\$2,500 maximum) INCLUDES DEBIT CARD <i>\$500 Rollover option in effect for this plan for unused balances.</i>
FSA Administrative Fee: \$72.00 for the Plan Year.	

Direct Deposit Information (Required if not on file with Cafeteria Plan Advisors, Inc.)

I hereby authorize Cafeteria Plan Advisors, Inc. to deposit my claim reimbursements directly to my bank. I also authorize drafts to adjust any over deposits that were credited to my account in error. I will contact Cafeteria Plan Advisors, Inc. immediately with any bank information changes.

Name of Bank: _____ ☐ **Checking** ☐ **Savings**

Check Routing Number (9 digits): _____

Account Number: _____

Certification

I hereby authorize a salary reduction agreement for the amount(s) shown above. I understand that:

- Cafeteria Plan Advisors, Inc. will hold these funds until eligible expenses are incurred and a claim is submitted. Funds may be forfeited in accordance with IRS Publication 969 if eligible expenses are not submitted for reimbursement by plan year deadline or purchased utilizing the provided debit card (if applicable). If terminated, expenses may be incurred through termination date.
- Dependents must qualify under regulations set forth in IRC sections 152 and 129.
- Expenses generally must be consistent with allowable medical deductions under IRS Publication 969.
- This election cannot be revoked or changed during the plan year without a qualifying event as defined by the IRS.
- **Current participants must re-enroll each plan year. If your plan contains the Rollover option, eligible balances will rollover to the subsequent plan year for the availability "after" the current plan run out period of 90 days.**
- **Dependent Care Plan Participants only:** I, the undersigned, certify that I have read the Dependent Care Reimbursement Plan Guidelines (www.cpa125.com) and meet all requirements necessary to participate in the FSA Dependent Care plan. The undersigned agrees to notify the plan administrator in writing within 30 days should the undersigned no longer meet eligibility as mandated by the IRS. Dependents must qualify under IRC section 152.

Signature: _____

Date: _____